

**381.9203 Documentation to be furnished by seller of unit -- Certificate.**

- (1) Except as provided in KRS 381.9201(2), a seller of a unit shall furnish to a purchaser or purchaser's agent before execution of any contract for sale of a unit, or otherwise before conveyance, a copy of the declaration, other than the plats and plans, and a copy of the bylaws, the rules or regulations of the association, and a certificate, current to the date of issuance and signed and dated by the association's manager or authorized agent, containing:
  - (a) A statement disclosing the effect on the proposed disposition of any right of first refusal or other restraint on the free alienability of the unit;
  - (b) A statement setting forth the amount of the monthly common expense assessment and any unpaid common expense, emergency assessment, or special assessment currently due and payable from the selling unit owner;
  - (c) A statement of any other fees payable by unit owners;
  - (d) A statement of any capital expenditures anticipated by the association for the current and, if known, next two (2) fiscal years;
  - (e) A statement of the amount of any reserves for capital expenditures, if any, and of any portions of those reserves designated by the association for any specified projects;
  - (f) The most recent regularly prepared balance sheet and income and expense statement, if any, of the association;
  - (g) The current operating budget of the association;
  - (h) The date of the most current financial report prepared for the association pursuant to KRS 381.9197;
  - (i) A statement of any unsatisfied judgments against the association, the status of any pending suits in which the association is a defendant, or any pending suits in which the association is a named party and the amount in dispute or contest is more than ten thousand dollars (\$10,000);
  - (j) A statement describing any insurance coverage maintained by the association or an attachment of a certificate of insurance issued to the association; and
  - (k) If any portion of the condominium is situated upon a leasehold estate, a statement of the remaining term of any leasehold estate affecting the condominium and the provisions governing any extension or renewal thereof.
- (2) The association shall, within ten (10) days after receipt of a written request by a unit owner, furnish a certificate containing the information necessary to enable the unit owner to comply with subsection (1) of this section. A unit owner or unit owner's agent providing a purchaser with the certificate issued pursuant to this subsection shall not be liable to the purchaser for any erroneous information provided by the association and included in the certificate.
- (3) A unit owner or unit owner's agent shall not be liable to a purchaser for the failure or delay of the association to provide the certificate in a timely manner, but the sales contract is voidable by the purchaser until the certificate has been provided and for five (5) days thereafter or until conveyance, whichever first occurs.

- (4) An association may not deny the validity of any statement in the certificate.
- (5) Failure to provide a certificate does not void a deed to a purchaser.

**Effective:** April 11, 2012

**History:** Amended 2012 Ky. Acts ch. 99, sec. 10, effective April 11, 2012. -- Created 2010 Ky. Acts ch. 97, sec. 52, effective January 1, 2011.